

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Spire)	<u>Case No. GO-2024-0180</u>
Missouri Inc. d/b/a Spire for Approval of the)	Tariff No. JG-2024-0073
Carbon Offset Initiative)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, hereby submits its Staff Recommendation and states as follows:

1. On November 29, 2023, Spire Missouri Inc. d/b/a Spire (“Spire”) filed an application for approval of a Carbon Offset Initiative (“Program”) and a request for waiver from the 60 day notice requirement of 20 CSR 4240-4.017. Attached to Spire Missouri’s Application is the direct testimony of Eric Bouselli and P.S.C. MO. No. Original SHEET No. R-30.28 through R-20.32, bearing an effective date of December 29, 2023.

2. On November 30, 2023, the Commission ordered that any person wishing to intervene in this matter, must do so by December 11, 2023, and directed Staff to file a recommendation regarding Spire’s tariff sheets, Tariff File No. JG-2024-0073, no later than December 13, 2023.

3. On December 4, 2023, Staff filed a request for an extension of time to file its recommendation and requested suspension of the tariffs filed with the application.

4. On December 21, 2023, the Commission granted Staff’s Motion and in doing so, suspended Spire’s tariffs in JG-2024-0073 until April 27, 2024. The Commission further ordered Staff to file its recommendation no later than March 13, 2024 and any response to Staff’s recommendation be filed by March 25, 2024.

5. As further described on the attached Memorandum, Staff investigated and analyzed Spire's Carbon Offset initiative application through a thorough review of the application, testimony, discovery, and review of applicable Commission rules.

6. Based upon Staff's investigation and analysis, as set forth in the attached Memorandum and incorporated by reference herein, Staff recommends the Commission approve the Program subject to the following modifications to the proposed tariff, which are also included in the attached modified (redline) tariff:

- (i) Participation terms and conditions should be clearly established in the specimen tariff.
- (ii) Rate change requests associated with the Program will be included in the filing of Spire Missouri's general rate cases.
- (iii) At least 85% of Program revenue will be spent on attribute purchases.
- (iv) Carbon offsets purchased and retired by Spire Missouri on the customers' behalf will be equal to or exceed the equivalent carbon emissions from the volume of gas equal to the product of the overall program revenue multiplied by the proposed rate of 2.89 Ccf per dollar. The formula for this conversion must be included in the tariff.
- (v) Attributes shall be retired for the sole benefit of participating customers.
- (vi) If in the event Spire Missouri fails to make attribute purchases to cover actual customer demand, all unspent customer funds be credited to each associated customer account annually.
- (vii) The date by which attributes must be purchased or customer funds refunded should be one year after the first customer contributes to the Program.
- (viii) Define the annual interest rate used to accrue interest will be the prime bank lending rate plus one percentage point as published in the Wall Street Journal for the last business day of the preceding calendar year. Specify that interest accrued on the Program account will either lower the total program cost or add to the cost of the program.
- (ix) Specify whether Spire Missouri will be making the retirements on behalf of customers or if Anew will be making the retirements.
- (x) Specify detailed conversion factors and engineering formulas used to determine the Ccf per dollar rate.

7. Staff also recommends the Commission Order Spire to file in this docket the following information on an annual basis:

- a. Total RTCs and VCOs purchased, sold, transferred, or retired during the calendar year, and reports from each applicable tracking system showing this information;
- b. The source of all RTCs and VCOs acquired during the calendar year, including which tracking system the RTCs and VCOs are registered in;
- c. The identification, by source and serial number, or some other identifier sufficient to establish the vintage and source of the RTCs and VCOs, of any RTCs and VCOs that have been carried forward to a future calendar year;
- d. The total number of customers participating in the Program by month;
- e. Monthly revenue collected from Program participants;
- f. The amount expended by Spire Missouri to purchase RTCs and VCOs, including the price and terms of future purchase contracts and any and all associated administrative fees;
- g. The amount expended by Spire Missouri on program administrative costs including, but not limited to, program marketing, labor costs, and information technology;
- h. If sufficient RTCs and VCOs were not purchased to fulfill customer demand in the calendar year, an explanation why; and
- i. Any contracts executed for any type of Program activity.
- j.

8. Staff verified that Spire is not delinquent on any assessment and has filed its Annual report, and Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff respectfully submits this Staff Recommendation and attached Memorandum and Modified Redlined Tariff for the Commission's information and consideration, and hereby recommends the Commission approve Spire's request subject to the modifications set forth in paragraphs 6 and shown in the attached redlined tariff

and Order Spire to follow the recommendations set forth in paragraph 7, waive the 60-day notice requirement, and to grant such other and further relief as the Commission considers just and reasonable in the circumstances.

Respectfully submitted,

/s/ J. Scott Stacey

J. Scott Stacey
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**Attorney for the Staff of the
Missouri Public Service Commission**

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 13th day of March, 2024.

/s/ J. Scott Stacey

MEMORANDUM

TO: Missouri Public Service Commission
Official Case File, File No. GO-2024-0180
Tariff Tracking No. JG-2024-0073
Spire Missouri, Inc., d/b/a Spire (“Spire Missouri”)

FROM: Marina Stever – Tariff/Rate Design Department
Francisco Del Pozo - Tariff/Rate Design Department
Matthew Lucas – Engineering Analysis Department
Amanda Coffey - Engineering Analysis Department
Courtney Horton - Auditing Department

/s/ Marina Stever 3-13-2024
Research/Data Analyst / Date

SUBJECT: Staff Recommendation to Conditionally Approve Spire Missouri, Inc., d/b/a Spire (“Spire Missouri”) Proposed Tariff Sheet(s) for its Carbon Offset Initiative

DATE: March 13, 2024

SPIRE MISSOURI FILING

On November 29th, 2023, Spire Missouri filed an application for approval of a Carbon Offset Initiative (“the Program”). Along with its application, Spire Missouri filed tariff sheets to implement the Program. On December 21, 2023, the Commission filed an order suspending the effective date until April 27, 2024. The tariff sheets as filed would allow residential and small general service Spire Missouri customers to voluntarily purchase a combination of environmental attributes (EAs) to offset all or a portion of their carbon emissions from their natural gas usage at a rate of 2.89 Ccf¹ per dollar. All costs and activities associated with the Program will be attributed only to Program participants through an approved regulatory balance account.

BACKGROUND

In 2021, Spire Missouri filed a tariff and supporting testimony to implement a voluntary carbon neutral offering initiative as a part of Case No. GR-2021-0108. Staff recommended that, if approved by the Commission, the tariff should reflect the following changes:

- (i) initial customer participation cost should be itemized and included in the tariff;
- (ii) limited to the activities outlined in testimony;
- (iii) participation and withdrawal terms and conditions should be clearly outlined;
- (iv) potential future cost increases should be removed from the tariff.

¹ One hundred cubic feet (Ccf).

On July 30, 2021, Spire Missouri filed a Partial Stipulation and Agreement to withdraw the request for a carbon neutral program in the rate case and agreed to file a “similar, revenue neutral subscription program” outside of a general rate case proceeding.² The Partial Stipulation and Agreement was included in a subsequent Order Approving Partial Stipulation and Agreements issued by the Commission on September 15, 2021.³

On November 29, 2023, Spire Missouri filed an application for approval of a Carbon Offset Initiative in Case No. GO-2024-0180. The Program proposed in this case would allow customers the opportunity to voluntarily purchase a combination of EAs in the form of Renewable Thermal Certificates (RTCs) and Verified Carbon Offsets (VCOs). RTCs are attributes associated with natural gas produced from renewable sources and are comparable to Renewable Energy Credits that are utilized by the electric utilities to demonstrate compliance with the Missouri Renewable Energy Standard. One RTC is issued for every dekatherm (Dth)⁴ of renewable thermal generation. VCOs are direct carbon offsets generated from projects that avoid or reduce greenhouse gas emissions, such as tree planting or avoided deforestation. A VCO must meet the following five criteria⁵:

- (i) The emissions reductions can be measured in accordance with protocols developed by independent, non-profit carbon offset registries.
- (ii) The reductions are neither considered a legal requirement, nor considered business-as-usual as outlined by the associated carbon offset registry and protocol.
- (iii) The reductions are verified by an accredited third party.
- (iv) Ownership of the reductions must be considered undisputed and must not be double counted.
- (v) Any net reversal in emissions reductions must be accounted for and compensated by the associated registry through additional reductions in order to ensure that buyers do not assume any reversal risk.

During the initial phase of the Program, Spire Missouri has settled on a product composed of 5% RTCs and 95% VCOs.⁶ Customers who volunteer for the Program will have an additional charge added to their monthly bill reflecting carbon offsets equivalent to the emissions from burning 2.89 Ccf of natural gas per every one dollar contributed. The pricing of the Ccf offset will be reviewed annually. The amount the customer is charged will be set by the customer in the

² Case No. GR-2021-0108, *Exhibit No. 57- 7/30/2021 Partial Stipulation and Agreement*, Page 5, Section 14.

³ Case No. GR-2021-0108, *Order Approving Partial Stipulation and Agreements*.

⁴ One million British thermal units (BTU).

⁵ Case No. GO-2024-0180, Direct testimony Spire Missouri witness Eric Bouselli, Page 12-13.

⁶ Case No. GO-2024-0180, Direct testimony Spire Missouri witness Eric Bouselli, Page 17, line 4.

preceding month and will cover the cost of the EAs, as well as program administrative costs including, but not limited to, program marketing, labor costs, and information technology.

DISCUSSION

The proposed tariff in this case is an improvement over Spire Missouri's original carbon neutral program proposal in Case No. GR-2021-0108. The proposed tariff clearly outlines the terms and conditions for withdrawal and ineligibility for the Program; however, Spire Missouri still needs to define in the tariff how interested customers will enroll in the Program. Also, the tariff should specify any charges related to customer sign-up and cancellation. In the opinion of Staff, one of the main deficiencies in the prior proposal was the lack of itemized expenses. That deficiency has not been corrected in the current version. The Program expenses should also be itemized and included in the annual report discussed later in this memo. Additionally, the tariff should state that any proposed rate changes related to the Program will be included in the filing of Spire Missouri's general rate cases.

In its response to Staff Data Request (DR) No. 0011, Spire Missouri states that approximately 13% of each dollar "is intended to cover administrative costs, such as program marketing, labor costs, and information technology."⁷ In Staff's opinion, this percentage will fluctuate depending on the level of customer participation in the Program. If participation is lower than anticipated, the proportion of the dollar being spent on administrative costs will likely increase. Staff recommends the Commission require Spire Missouri to spend no less than 85% of each customer-contributed dollar on the purchase of EAs. By ensuring customer funds go primarily to EAs, customers will receive value for their voluntary participation in the program, thus promoting the Program's future viability. Additionally, Spire Missouri states in the tariff that each dollar spent by each customer will purchase carbon offsets equivalent to burning 2.89 Ccf of natural gas. Staff recommends that the amount of carbon offsets retired each year be greater than or equal to the annual program revenue multiplied by the proposed rate of 2.89 Ccf per dollar, and that the formula for this conversion be included in the tariff.

Spire Missouri states that the funds received through the Program will be used to purchase and retire the RTCs and VCOs. In its response to Staff DR No. 0014.1, Spire Missouri also states it "will not be able to make any Scope 2⁸ reduction claims because of this program or the attributes purchased to support the program." However, the proposed tariff does not explicitly state that attributes will be retired for the sole benefit of participating customers.

⁷ Case No. GO-2024-0180, DR No. 0011.

⁸ The Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard defines 'Scope 2' as GHG emissions from the generation of purchased electricity consumed by the company.

Spire Missouri indicates that the Program is offered to customers based on the available supply of RTCs and VCOs, reserving the right to suspend and curtail the Program if sufficient quantities are unavailable. It is unclear how Spire Missouri plans to ensure that customer demand is met or if customers will be refunded in the event that a sufficient supply of RTCs and VCOs are unavailable. It is also unclear if Spire Missouri will curtail attribute purchases to meet immediate customer demand during periods when attribute prices are higher than anticipated. While some short-term flexibility is important, it is also important that customers receive the attributes they purchase in a timely manner. If in the event Spire Missouri fails to make attribute purchases to cover actual customer demand, Staff recommends that all unspent customer funds be credited to each associated customer account annually. The date by which attributes need to be purchased or customer funds refunded should be one year after the first customer contributes to this program. That date should be used until the rate is changed as part of a general rate case.

In order to ensure costs and activities associated with the Program are only attributed to Program participants, Spire Missouri will deposit and track all associated funds within an approved regulatory balance account. Spire Missouri indicates that the account will include interest expense, but in the tariff, it is unclear what Spire intends to do with the earned interest. To find out, Staff submitted DR No. 0025, to which Spire Missouri responded that interest accrued on the Program account will either lower the total program cost or add to the cost of the program. In Spire Missouri's tariff, it is also unclear, what interest rate Spire Missouri intends to use to accrue interest on shareholder and customer supplied funds. Staff submitted DR No. 0026, to which Spire Missouri provided the interest rate that Staff is including in its recommendations.

According to the direct testimony of Spire Missouri witness Eric Bouselli, "[t]he cost per MMBtu to offset CO₂e⁹ emissions will start out around \$3.00 per MMBtu, but it will be subject to price changes annually as the market drives the attribute pricing¹⁰" This suggests that the attribute purchases made by Spire Missouri will be subject to market pricing. According to Spire Missouri witness Eric Bouselli's direct testimony and its response to Staff DR No. 0005, Spire Missouri does not intend to enter into an agreement with an attribute vendor until customer demand is known. Spire Missouri does not want to enter into an agreement because its intended vendor requires minimum annual purchases that Spire Missouri believes may exceed customer demand. Since Spire Missouri does not have a good grasp of customer demand at this time, Staff has recommended a reporting requirement that any future contracts entered into by Spire Missouri to purchase attributes be provided to Staff annually as discussed below. Additionally, due to the various units involved on the various registries, the tariff should include detailed conversion factors and engineering formulas used to determine the Ccf per dollar rate.

⁹ Carbon dioxide equivalent (CO₂e).

¹⁰ Case No. GO-2024-0180, Direct testimony Spire Missouri witness Eric Bouselli, Page 22.

Spire Missouri will be working with Anew Climate (“Anew”) to source the RTCs and VCOs for the Program. Anew utilizes RTCs and VCOs that are registered, tracked, and retired through several different registries. RTCs are registered, tracked, and retired using the M-RETS tracking system.¹¹ VCOs are registered, tracked, and retired using Verra, Climate Action Reserve, American Carbon Registry, and The Gold Standard.¹² The exact registry will not be known until the time of purchase.¹³ Once purchased by Spire Missouri, the RTCs and VCOs will be retired on behalf of the customer, taking them out of circulation to ensure that RTCs and VCOs will not be recounted. Spire Missouri will either manage the retirements itself or have Anew make the retirements. If Spire Missouri decides to manage the retirements by itself, it will need to create accounts with each of the five tracking registries that will be used.¹⁴ Staff recommends Spire Missouri specify who will be making the retirements on behalf of the customers.

Spire Missouri has proposed to submit an annual report that details the number of customers participating, the levels of participation, and total CO₂e offset through the program. Although there are currently no specific reporting requirements for RTCs and VCOs, Staff used the reporting requirements for Renewable Energy Certificates, found in 20 CSR 4240-20.100(8)(A)1.A-P, as a guide, and suggests the Commission order Spire Missouri to annually report the following:

- (i) Total RTCs and VCOs purchased, sold, transferred, or retired during the calendar year, and reports from each applicable tracking system showing this information;
- (ii) The source of all RTCs and VCOs acquired during the calendar year, including which tracking system the RTCs and VCOs are registered in;
- (iii) The identification, by source and serial number, or some other identifier sufficient to establish the vintage and source of the RTCs and VCOs, of any RTCs and VCOs that have been carried forward to a future calendar year;
- (iv) The total number of customers participating in the Program by month;
- (v) Monthly revenue collected from Program participants;
- (vi) The amount expended by Spire Missouri to purchase RTCs and VCOs, including the price and terms of future purchase contracts and any and all associated administrative fees;
- (vii) The amount expended by Spire Missouri on program administrative costs including, but not limited to, program marketing, labor costs, and information technology;
- (viii) If sufficient RTCs and VCOs were not purchased to fulfill customer demand in the calendar year, an explanation why; and
- (ix) Any contracts executed for any type of Program activity.

¹¹ [M-RETS | M-RETS Renewable Thermal Tracking \(mrets.org\)](https://mrets.org).

¹² [Home - Verra, Climate Action Reserve - Climate Action Reserve : Climate Action Reserve, Homepage - ACR \(acrcarbon.org\), The Gold Standard.](https://climateactionreserve.com)

¹³ Case No. GO-2024-0180, DR No. 0007.

¹⁴ Case No. GO-2024-0180, DR No. 0014.

As this will be a new type of program to Missouri, the contents of the annual report may need adjustment over time. Staff recommends that Spire Missouri consult with Staff annually on the report contents to ensure that all relevant information is provided to the Commission.

STAFF RECOMMENDATION

Staff has reviewed the proposed tariff sheets and the direct testimony of Spire Missouri witness Eric Bouselli. Staff recommends the Commission approve the Program with the following modifications to the proposed tariff:

- (i) Participation terms and conditions should be clearly established in the specimen tariff.
- (ii) Rate change requests associated with the Program will be included in the filing of Spire Missouri's general rate cases.
- (iii) At least 85% of Program revenue will be spent on attribute purchases.
- (iv) Carbon offsets purchased and retired by Spire Missouri on the customers' behalf will be equal to or exceed the equivalent carbon emissions from the volume of gas equal to the product of the overall program revenue multiplied by the proposed rate of 2.89 Ccf per dollar. The formula for this conversion must be included in the tariff.
- (v) Attributes shall be retired for the sole benefit of participating customers.
- (vi) If in the event Spire Missouri fails to make attribute purchases to cover actual customer demand, all unspent customer funds be credited to each associated customer account annually.
- (vii) The date by which attributes must be purchased or customer funds refunded should be one year after the first customer contributes to the Program.
- (viii) Define the annual interest rate used to accrue interest will be the prime bank lending rate plus one percentage point as published in the Wall Street Journal for the last business day of the preceding calendar year. Specify that interest accrued on the Program account will either lower the total program cost or add to the cost of the program.
- (ix) Specify whether Spire Missouri will be making the retirements on behalf of customers or if Anew will be making the retirements.
- (x) Specify detailed conversion factors and engineering formulas used to determine the Ccf per dollar rate.

Additionally, Staff recommends the Commission order Spire Missouri to file in this docket the following information on an annual basis:

- a. Total RTCs and VCOs purchased, sold, transferred, or retired during the calendar year, and reports from each applicable tracking system showing this information;
- b. The source of all RTCs and VCOs acquired during the calendar year, including which tracking system the RTCs and VCOs are registered in;
- c. The identification, by source and serial number, or some other identifier sufficient to establish the vintage and source of the RTCs and VCOs, of any RTCs and VCOs that have been carried forward to a future calendar year;
- d. The total number of customers participating in the Program by month;
- e. Monthly revenue collected from Program participants;
- f. The amount expended by Spire Missouri to purchase RTCs and VCOs, including the price and terms of future purchase contracts and any and all associated administrative fees;
- g. The amount expended by Spire Missouri on program administrative costs including, but not limited to, program marketing, labor costs, and information technology;
- h. If sufficient RTCs and VCOs were not purchased to fulfill customer demand in the calendar year, an explanation why; and
- i. Any contracts executed for any type of Program activity.

Staff has provided a redline tariff that incorporates the above recommendations.

Staff has verified that Spire Missouri is not delinquent on any assessment and has filed its Annual Report. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Spire Missouri Inc. d/b/a/ Spire

For: Spire Missouri

RULES AND REGULATIONS

35. Conservation and Energy Efficiency Programs (continued)

N. Spire's Carbon Offset Initiative

Purpose:

The purpose of Spire's Carbon Offset Initiative (the "Program") is to provide customers the opportunity to voluntarily purchase a combination of environmental attributes ("EAs"): (1) Renewable Thermal Certificates ("RTCs"), which are environmental attributes specifically associated with renewable natural gas, and (2) Verified Carbon Offsets ("VCOs"), which are environmental attributes associated with reduced carbon emissions. These environmental attributes may be purchased by customers, on a voluntary basis, to offset all or a portion of their carbon emissions from their natural gas usage. Amounts received from customers through this Program will be used to pay for the commodity cost of the environmental attributes and program administrative costs including, but not limited to, program marketing, labor costs, and information technology.

Definitions:

Ccf – One hundred cubic feet.

MMBtu - One million (1,000,000) British thermal units.

~~Renewable Natural Gas ("RNG") – a term used to describe biogas, or gas that is produced from raw materials, that has been upgraded for use in place of fossil natural gas. The biogas used to produce RNG may come from a variety of sources, including municipal solid waste landfills, digesters at water resource recovery facilities (wastewater treatment plants), livestock farms, food production facilities, and organic waste management operations.~~

Renewable Thermal Certificates ("RTCs") – ~~RNG-specific~~ Environmental attributes that represents one dekatherm of renewable thermal generation from sources such as renewable natural gas, and the benefits associated with that amount of renewable natural gas. These are tracked on the M-RETS Renewable Thermal Tracking System. *Insert equation needed to convert a unit purchased to Ccf per dollar*.

Verified Carbon Offsets ("VCOs") - Environmental attributes associated with an entity's reduction in emissions of carbon dioxide (CO₂) or other greenhouse gases. The carbon offsets are verified and certified by host registries, which then allows the attribute to be purchased and retired by other entities to meet their emission targets. *Insert equation needed to convert a unit purchased to Ccf per dollar*.

DATE OF ISSUE: November 29, 2023

DATE EFFECTIVE: December 29, 2023

ISSUED BY: Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

Spire Missouri Inc. d/b/a/ Spire

For: Spire Missouri

RULES AND REGULATIONS

- 35. Conservation and Energy Efficiency Programs (continued)
- N. Spire's Carbon Offset Initiative (continued)

Availability:

- A. This Program will be available to all Spire Missouri residential and small general service customers, except those customers falling under the restrictions in subparagraph B.
- B. Customers who have, in the most recent twelve-month period (1) received a disconnection notice, (2) entered into a payment agreement with the Company for a delinquent bill, or (3) have had service terminated, are not eligible to participate in this Program.

Participation Level and Surcharge:

Customers that enroll in this Program will have a separate charge added to their next regular monthly bill, and the Company will use the funds received to purchase and retire RTCs and VCOs to help offset their carbon emissions from conventional natural gas usage for the stated volumes per \$1 below. Customers will elect the monthly charge in whole dollar increments that they determine to pay.

Ccf Offset per \$1	2.89
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DATE OF ISSUE: November 29, 2023

DATE EFFECTIVE: December 29, 2023

ISSUED BY: Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

RULES AND REGULATIONS

35. Conservation and Energy Efficiency Programs (continued)

N. Spire’s Carbon Offset Initiative (continued)

The following tables show examples of the monthly and annual charges along with the associated Ccf of natural gas emissions offset for the specified customer class based on normalized usage.

Table 1: Residential Customers

Approx. Annual Offset % (Applied to normalized class usage)	Residential			
	Monthly Charge^	Monthly Ccf Offset	Annual Charge	Annual Ccf Offset*
5%	\$ 1.00	2.89	\$ 12.00	34.687
9%	\$ 2.00	5.78	\$ 24.00	69.365
23%	\$ 5.00	14.45	\$ 60.00	173.407
50%	\$ 11.00	31.798	\$ 132.00	381.482.1
77%	\$ 17.00	49.132	\$ 204.00	589.5690.5
100%	\$ 22.00	63.587	\$ 264.00	762.964.2

^Represents amount per billing cycle with 12 billing cycles in a year.

**Annual carbon emissions offset for equivalent geological natural gas usage if enrolled in the program for 12 months.*

Table 2: Small General Service Customers

Approx. Annual Offset % (Applied to normalized class usage)	Small General Service			
	Monthly Charge^	Monthly Ccf Offset	Annual Charge	Annual Ccf Offset*
2%	\$ 1.00	2.89	\$ 12.00	34.687
9%	\$ 5.00	14.45	\$ 60.00	173.407
25%	\$ 14.00	40.465	\$ 168.00	485.526.3
51%	\$ 29.00	83.819	\$ 348.00	1,005.727.4
75%	\$ 43.00	124.275	\$ 516.00	1,491.243.7
100%	\$ 57.00	164.735.0	\$ 684.00	1,976.768.0.0

^Represents amount per billing cycle with 12 billing cycles in a year.

DATE OF ISSUE: November 29, 2023

DATE EFFECTIVE: December 29, 2023

ISSUED BY: Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

Spire Missouri Inc. d/b/a/ Spire

For: Spire Missouri

**Annual carbon emissions offset for equivalent geological natural gas usage if enrolled in the program for 12 months.*

DATE OF ISSUE: November 29, 2023

DATE EFFECTIVE: December 29, 2023

ISSUED BY: Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

Spire Missouri Inc. d/b/a/ Spire

For: Spire Missouri

35. Conservation and Energy Efficiency Programs (continued)

N. Spire's Carbon Offset Initiative (continued)

Terms and Conditions:

1. Customers may sign-up for the Program by calling the Spire Contact Center or through MyAccount.
- ~~4.2.~~ Customers must select their monthly participation level expressed in a whole dollar amount at the time of subscription.
- ~~2.3.~~ Customers may apply for or leave this Program at any time throughout the year.
- ~~3.4.~~ Changes to a customer's bill will be reflected on the Customer's next regular monthly bill following the date of enrollment. A maximum of one change in participation level can be made in any one month.
- ~~4.5.~~ Customers must maintain eligibility to participate in the Program. If condition under part B of the Availability section is triggered by an enrolled customer, then that customer will automatically be terminated from the Program and the customer's billing related to this Program will discontinue.
- ~~6.~~ The pricing of the Ccf offset per \$1 will be reviewed ~~annually~~ periodically and any rate changes will be submitted to the Commission as a part of the Company's general rate case.
- ~~7.~~ The Company reserves the right to modify the RTC and VCO mix to manage Program costs, but will spend no less than 85% of Program revenue on environmental attribute purchases.
- ~~8.~~ On an annual basis, the Company shall purchase and retire on its customer's behalf attributes whose total carbon offset is greater than or equal to the total equivalent carbon emitted from the volume of gas equal to the program revenue multiplied by 2.89 Ccf per dollar.
- ~~5.9.~~ The Company will not make any emission reduction claims through the Program or the attributes purchased to support the Program and all attributes will be retired by the Company or its agent for the sole benefit of participating customers.
- ~~10.~~ This Program is offered to customers based on available supply of RTCs and VCOs. The Company reserves the right to suspend or curtail the Program and related charges in the event that sufficient RTC and VCO supply is unavailable. In the event the Company cannot meet customer demand, all unspent customer contributions shall be credited to the associated account on an annual basis.
- ~~11.~~ All attributes must be purchased and retired, or customer funds refunded no later than one year after the first customer contribution is received, and each year on that date thereafter.

DATE OF ISSUE: November 29, 2023

DATE EFFECTIVE: December 29, 2023

ISSUED BY: Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

6.12. The interest rate used to accrue interest on shareholder and customer supplied funds for the carbon offset Program will be the per annum rate equal to the prime bank lending rate plus one percentage point as published in The Wall Street Journal for the last business day of the preceding calendar year, compounded annually.

13. The Company will submit reports to the Commission annually, or as otherwise ordered in relation to the carbon offset Program operation and accounting. The Company will provide the following information to the Commission:

- Total RTCs and VCOs purchased, sold, transferred, or retired during the calendar year, and reports from each applicable tracking system showing this information;
- The source of all RTCs and VCOs acquired during the calendar year, including which tracking system the RTCs and VCOs are registered in;
- The identification, by source and serial number, or some other identifier sufficient to establish the vintage and source of the RTCs and VCOs, of any RTCs and VCOs that have been carried forward to a future calendar year;
- The total number of customers participating in the Program by month;
- Monthly revenue collected from Program participants;
- The amount expended by Spire to purchase RTCs and VCOs, including the price and terms of future purchase contracts and any and all associated administrative fees;
- The amount expended by Spire Missouri on program administrative costs including, but not limited to, program marketing, labor costs, and information technology;
- If sufficient RTCs and VCOs were not purchased to fulfill customer demand in the calendar year, and explanation why;
- Report on any contracts executed for any type of Program activity.

Commission staff may request additional information related to the Program that not listed in number 13.

DATE OF ISSUE: November 29, 2023

DATE EFFECTIVE: December 29, 2023

ISSUED BY: Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

File No. GO-2024-0180
Attachment A
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Spire Missouri Inc. d/b/a/ Spire

For: Spire Missouri

RULES AND REGULATIONS

35. Conservation and Energy Efficiency Programs (continued)
- N. Spire's Carbon Offset Initiative (continued)

Cancellation:

Participants may cancel their participation in this Program by calling into the Spire Contact Center or through MyAccount with the cancellation being effective on the Customer's next regular monthly bill following the date of cancellation. Cancellation of a customer's participation in the Program will not interfere with or terminate a customer's existing natural gas service.

Carbon Offset Initiative Regulatory Balance Account:

To ensure that all costs and activities associated with this Program are attributed to only Program participants, all funds will be separately identified, and tracked within the approved regulatory balance account. The flow of interest will either act to lower the total program cost, if customer contributions exceed other program costs, or add to the cost of the program, if program costs exceed customer contributions.

The Carbon Offset Initiative Regulatory Balance Account (Account XXXXXX) will include the following revenues and expenses:

1. Customer contributions
2. Marketing and administrative costs
3. Interest expense and revenue
4. Expenses associated with the purchase of RTCs and VOCs

DATE OF ISSUE: November 29, 2023**DATE EFFECTIVE:** December 29, 2023**ISSUED BY:** Scott A. Weitzel, VP, Regulatory & Governmental Affairs
Spire Missouri Inc., St. Louis, MO. 63101

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Spire)	File No. <u>GO-2024-0180</u>
Missouri Inc. d/b/a Spire for Approval of the)	Tracking No. <u>JG-2024-0073</u>
Carbon Offset Initiative)	

AFFIDAVIT OF MARINA STEVER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW MARINA STEVER, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

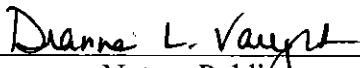
Further the Affiant sayeth not.


_____ **MARINA STEVER**

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 7th day of March 2024.

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377


_____ Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Spire) File No. GO-2024-0180
Missouri Inc. d/b/a Spire for Approval of the) Tracking No. JG-2024-0073
Carbon Offset Initiative)

AFFIDAVIT OF FRANCISCO DEL POZO

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW FRANCISCO DEL POZO, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

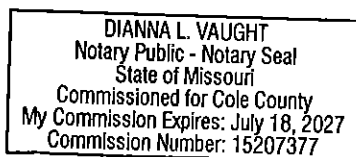
Further the Affiant sayeth not.

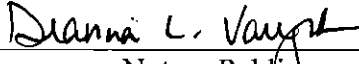


FRANCISCO DEL POZO

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 11th day of March 2024.





Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI


In the Matter of the Application of Spire)
Missouri Inc. d/b/a Spire for Approval of the) File No. GO-2024-0180
Carbon Offset Initiative) Tracking No. JG-2024-0073

AFFIDAVIT OF MATTHEW LUCAS

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW MATTHEW LUCAS, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

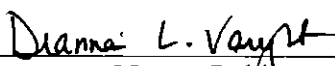


MATTHEW LUCAS

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 7th day of March 2024.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Spire) File No. GO-2024-0180
Missouri Inc. d/b/a Spire for Approval of the) Tracking No. JG-2024-0073
Carbon Offset Initiative)

AFFIDAVIT OF AMANDA COFFER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW AMANDA COFFER, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

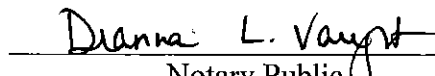
Further the Affiant sayeth not.


AMANDA COFFER

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 7th day of March 2024.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377


Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Spire) File No. GO-2024-0180
Missouri Inc. d/b/a Spire for Approval of the) Tracking No. JG-2024-0073
Carbon Offset Initiative)

AFFIDAVIT OF COURTNEY HORTON

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW COURTNEY HORTON, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

Courtney Horton
COURTNEY HORTON

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 7th day of March 2024.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377

Dianna L. Vaught
Notary Public